

Clause No. 3 in Report No. 10 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on May 15, 2014.

3
EAST GWILLIMBURY
SUSTAINABLE DEVELOPMENT INCENTIVE PROGRAM

Committee of the Whole recommends adoption of the following recommendations contained in the report dated April 23, 2014 from the Commissioner of Environmental Services and the Commissioner of Transportation and Community Planning:

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize staff to assign additional water and wastewater servicing capacity up to 1,535 units (or 4,605 people) to the Town of East Gwillimbury for developments in Queensville, Holland Landing and Sharon subject to:
 - a. The Town of East Gwillimbury updating their Sustainable Development Incentive Program Implementation Guidelines to incorporate additional water conservation and inflow and infiltration reduction measures as outlined in this report.
 - b. Delivery of infrastructure trigger projects including the Queensville Elevated Tank No. 1, Southeast Collector Sewer, York-Durham Sewage System Extension to Queensville, Holland Landing, and Sharon, and Sharon Trunk Sewer.
2. The Regional Clerk forward a copy of this report to the Town of East Gwillimbury.

2. PURPOSE

This report seeks Council's authorization for staff to assign additional water and wastewater servicing capacity to the Town of East Gwillimbury for developments in Queensville, Holland Landing and Sharon. This additional capacity assignment is made possible through proposed implementation of new water efficiency and inflow and infiltration control measures in new home construction that reduce per capita water consumption and sewage flow rate.

3. BACKGROUND

Town of East Gwillimbury Council endorsed Sustainable Development Incentive Program Implementation Guidelines in June 2013

In 2012, the Prepaid Development Charge Credit Agreement for the York-Durham Sewage System Extension to Queensville, Holland Landing and Sharon was executed. As part of the agreement, East Gwillimbury was provided with capacity assignment of 5,465 units (or 16,395 people), with potential increase up to 7,000 units (or 21,000 people) contingent on implementing water and wastewater sustainable development measures subject to verification through performance monitoring. Regional staff has been working with Town of East Gwillimbury staff to develop guidelines that will provide the basis for servicing capacity increase above 5,465 units (or 16,395 people).

In June 2013, Town of East Gwillimbury Council endorsed the Town's Sustainable Development Incentive Program Implementation Guidelines and requested the Region to confirm the applicability of their guidelines for additional capacity assignment. The guidelines were developed with a similar approach used in the Region's Sustainable Home Incentive Program, which was endorsed by Council in 2009.

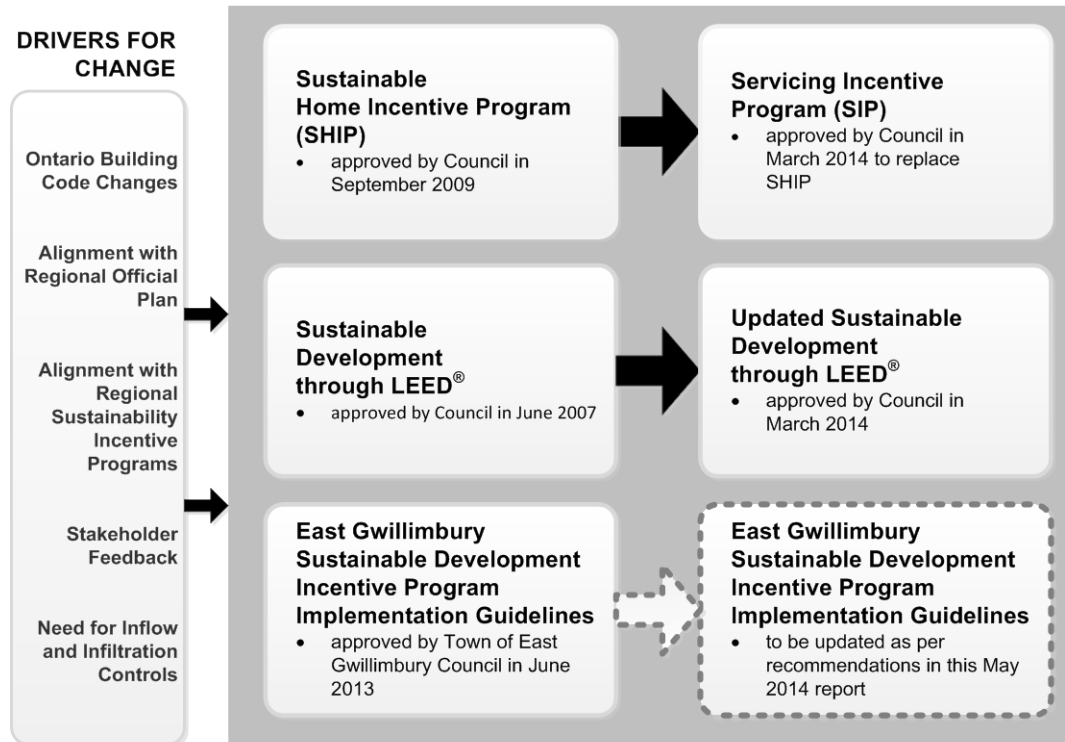
In March 2014, Council endorsed updates to Regional sustainability incentive programs

As of January 2014, the *Ontario Building Code* mandates more stringent minimum water efficiency requirements for residential developments. In light of this and the need for further rigor to manage inflow and infiltration into the sewer system, staff carried out a review of the Region's residential sustainability incentive programs. These programs provide incentive to developers to implement water efficiency and inflow and infiltration measures for additional capacity assignment.

In March 2014, Council endorsed the new Servicing Incentive Program to replace the Sustainable Home Incentive Program for ground-related developments focusing on water conservation and inflow and infiltration reduction in sewers. The Sustainable Development through LEED® program for high-rise developments was updated as well.

Figure 1 summarizes the status of updates of the three sustainability incentive programs.

Figure 1
Status of Updates of Sustainability Incentive Programs



4. ANALYSIS AND OPTIONS

East Gwillimbury Sustainable Development Incentive Program Implementation Guidelines recommended to be updated to reflect changes in the *Ontario Building Code*

While the East Gwillimbury Sustainable Development Incentive Program Implementation Guidelines provide comprehensive sustainability program requirements, they need to be updated to ensure that the program will implement water efficiency measures exceeding the new base standard of the *Ontario Building Code*, and be consistent with new Regional criteria recently developed in conjunction with the introduction of the Servicing Incentive Program.

The East Gwillimbury Sustainability Development Incentive Program, in conjunction with the Town's Thinking Green Development Standards, provides broader sustainability objectives beyond water conservation and sewer efficiency including:

- Natural environment enhancement
- Energy conservation measures
- Sustainable built form
- Active transportation
- Indoor air quality
- Renewable energy
- Resource management
- Enhanced homeowner education

Additional requirements in keeping with the Servicing Incentive Program proposed to be included are as follows:

- Include new Regional sanitary sewer specifications
- Install water fixtures exceeding the base standard mandated by the *Ontario Building Code*, including maximum 4.0 litres per flush WaterSense® certified high-efficiency toilets and on-demand hot water delivery system
- Establish a comprehensive flow monitoring plan that will inform and ensure that inflow and infiltration is within acceptable limits

Regional staff to work with Town of East Gwillimbury staff to enhance Sustainable Development Incentive Program Implementation Guidelines

To incorporate additional sustainability requirements, it is recommended that Regional and Town of East Gwillimbury staff work together to review and update the East Gwillimbury Sustainable Development Incentive Program Implementation Guidelines. The review should also include allocation, performance certification and acceptance processes of the Guidelines in order to put in place a sound process to ensure that works delivered by developers meet sustainability requirements.

Under the current East Gwillimbury Sustainable Development Incentive Program Implementation Guidelines process, the Town has a two-stage approach in granting sustainability incentive allocation credit to developments. The first-stage allocation credit (up to 20 per cent of the original allocation) will be provided to a developer entering into an agreement with the Town. The agreement outlines conditions that the developer has to comply with including:

- posting of required securities
- retention of third-party professionals to inspect and certify that works are in compliance with Guidelines
- commitment to carry out rectification of deficiencies and retrofitting of existing system

- commitment to implement water conservation measures to achieve target residential per capita consumption of 161 litres per day together with a comprehensive water consumption monitoring program
- commitment to carry out sewage flow monitoring

In line with the Town of East Gwillimbury's allocation process, the Region will assign additional servicing capacity up to 20 per cent of the 5,465 units (or 3,279 people) in conjunction with sustainability program agreements between developers and the Town. Additional assignment beyond the first 20 per cent and up to 7,000 units (or 21,000 people) requires the Town to provide performance documents supported by flow monitoring showing the works undertaken have been certified by a third-party professional. All developments must comply with the East Gwillimbury Sustainable Development Incentive Program Implementation Guidelines. Failure to meet performance requirements for the initial 20 per cent additional capacity assignment will require corrective measures or may result in downward adjustments to remaining capacity assignment.

Second-stage allocation credit will also require developers to demonstrate they achieved at least 75 per cent of the target residential water consumption savings or 51 litres per capita per day (75 per cent of 68 litres per capita per day is 51 litres per capita per day) on homes built under their developments, and commit to carry out remedial and/or retrofit works to reduce average consumption rate of built homes to the target savings of 68 litres per capita per day.

Joint review of the East Gwillimbury Sustainable Development Incentive Program Implementation Guidelines between Regional and Town of East Gwillimbury staff is expected to include the following:

- Incorporate new water conservation requirements and include in third-party inspection and certification process
- Incorporate new Regional sanitary sewer specifications and include in third-party inspection and certification process
- Update required amount of securities from developers to reflect additional inflow and infiltration control requirements as per new Regional sanitary sewer specifications, and include a condition that release of securities is subject to concurrence by both the Town and the Region
- Update current guidelines' target residential per capita consumption rate of 161 litres per day to align with Regional target consumption rate of 150 litres per day in the Region's Long Term Water Conservation Strategy
- Update eligibility requirement of second-stage allocation credit to include inflow and infiltration control as per new Regional sanitary sewer specifications
- Update requirements for sewage flow monitoring program as per new Regional sanitary sewer specifications

- Update landscaping/outdoor water use requirements to reflect current sustainability practice
- Include low-impact development practices in sustainability measures

Additional capacity assignment of 1,535 units is contingent on infrastructure trigger projects

Developments in Queensville, Holland Landing and Sharon are contingent on four major infrastructure trigger projects:

- Queensville Water Elevated Tank No. 1
- Southeast Collector Sewer
- York-Durham Sewage System Extension to Queensville, Holland Landing and Sharon
- Sharon Trunk Sewer (for Sharon only)

Queensville Water Elevated Tank No. 1 is complete and in service. The Southeast Collector Sewer is on track for commissioning by end of 2014. Both York-Durham Sewage System extension to Queensville, Holland Landing and Sharon and the Sharon Trunk Sewer are expected to be commissioned by Summer 2015.

The above-mentioned trigger projects provide water and wastewater capacity to service Queensville, Holland Landing and Sharon up to 5,465 units (or 16,395 people) prior to commissioning of Upper York Sewage Solutions scheduled for late 2018. The additional capacity assignment of 1,535 units (or 4,605 people) is made available through implementing water conservation and inflow and infiltration measures, and is also contingent on the above-mentioned infrastructure trigger projects being commissioned.

Capacity assignment up to 7,000 units will support growth in Queensville, Holland Landing and Sharon prior to commissioning of Upper York Sewage Solutions project

It is expected that potential capacity assignment up to 7,000 units (or 21,000 people) will adequately meet projected growth in Queensville, Holland Landing and Sharon prior to commissioning of Upper York Sewage Solutions in late 2018. Additional capacity assignment beyond 7,000 units will only be considered if timing of Upper York Sewage Solutions is severely delayed and affects projected growth in Queensville, Holland Landing and Sharon. This capacity assignment beyond 7,000 units will first require a full assessment of performance of the East Gwillimbury Sustainable Development Incentive Program after it is implemented in conjunction with downstream system constraints at the Newmarket and Aurora Pumping Stations.

Link to key Council-approved plans

The East Gwillimbury Sustainable Development Incentive Program supports the following 2011-2015 Corporate Strategic Plan objectives:

- Leverage capacity in existing and new infrastructure to complete build-out of developments through promotion of water conservation and inflow and infiltration control practices
- Continue to partner with all levels of government to facilitate delivery of environmentally sustainable infrastructure

5. FINANCIAL IMPLICATIONS

Town of East Gwillimbury sustainability program measures are carried out at no cost to Region

The East Gwillimbury Sustainable Development Incentive Program promotes sustainability. Water conservation and inflow and infiltration control sustainability measures in the program enable efficient use of water and wastewater system capacity. Sustainability measures in the program are solely paid for by developers at no cost to the Region. Additional capacity assignment of 1,535 units (or 4,605 people) will provide commensurate development charge revenue to the Region.

6. LOCAL MUNICIPAL IMPACT

The East Gwillimbury Sustainable Development Incentive Program supports an additional capacity assignment of 1,535 units (or 4,605 people) prior to completion of Upper York Sewage Solutions project and, in turn, supports planned sustainable growth in the communities of Queensville, Holland Landing and Sharon. It is recommended that the Town of East Gwillimbury and Regional staff work together to modify details of the program implementation guidelines to incorporate new requirements as restated below.

Program updates should:

- incorporate additional water conservation requirements in line with the new Servicing Incentive Program
- incorporate new Regional sanitary sewer specifications
- update required amount of securities from developers to reflect additional inflow and infiltration control requirements as per the new Regional sanitary sewer specifications
- update the Guidelines' target residential per capita consumption rate to align with Regional target consumption rate of 150 litres per capita per day in the Region's Long Term Water Conservation Strategy
- update eligibility requirement of second-stage allocation credit

- update requirements of sewage flow monitoring program as per new Regional sanitary sewer specifications
- update landscaping/outdoor water use requirements to reflect current sustainability practice
- include low-impact development practices in the sustainability measures

7. CONCLUSION

The Region has been working with local municipalities to promote sustainable building practices through capacity assignment incentive. In March 2014, Council approved the update of the Sustainable Development through LEED® program and the introduction of the Servicing Incentive Program, primarily as a result of recent changes in the *Ontario Building Code* that mandates new water conservation requirements and increased focus on inflow and infiltration reduction.

The East Gwillimbury Sustainable Development Incentive Program is another program that embraces the Region's goal to promote sustainability. Regional staff will work with Town of East Gwillimbury staff to modify and finalize details of program guidelines to permit additional capacity assignment of 1,535 units (or 4,605 people).

For more information on this report, please contact Mike Rabeau, Director, Capital Planning and Delivery at 905-830-4444 Ext. 75157 or Karen Whitney, Director, Community Planning at Ext. 71505.

The Senior Management Group has reviewed this report.